

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
56th LEGISLATURE - REGULAR SESSION**

JOINT APPROPRIATIONS SUBCOMMITTEE ON LONG-RANGE PLANNING

Call to Order: By **CHAIRMAN ERNEST BERGSAGEL**, on January 20, 1999
at 8:00 A.M., in Room 317 Capitol.

ROLL CALL

Members Present:

Rep. Ernest Bergsagel, Chairman (R)
Sen. Tom A. Beck, Vice Chairman (R)
Sen. J.D. Lynch (D)
Rep. Matt McCann (D)
Rep. Tom Zook (R)

Members Excused: Sen. Chuck Swysgood (R)

Members Absent: None.

Staff Present: Cassandra Drynan, Committee Secretary
Jane Hamman, OBPP
Pam Joehler, Legislative Branch

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: **HOUSE BILL 6 & 8 - RENEWABLE
RESOURCE GRANT & LOAN
APPLICATIONS, 1/20/1999**

Executive Action: None

**HEARING ON HB 6 & 8 - RENEWABLE RESOURCE GRANT & LOAN
APPLICATIONS (RRGL)**

RRGL PROJECT NO. 34 - ROOSEVELT COUNTY CONSERVATION DISTRICT

Mr. Bob Fischer, Department of Natural Resources, reviewed the environmental assessment project and the department's recommendations.

{Tape : 1; Side : A; Approx. Time Counter : 0.1 - 2.1}

Mr. Miles Knudsen, Supervisor for the Roosevelt County Conservation District, gave a short introduction.

{Tape : 1; Side : A; Approx. Time Counter : 2.2 - 3}

Mr. Rick Knich, Chairman of the Joint Steering Committee, gave a short presentation. **EXHIBIT(jlh15a01) EXHIBIT(jlh15a02) EXHIBIT(jlh15a03)**

{Tape : 1; Side : A; Approx. Time Counter : 3 - 9}

REP. MCCANN asked if the problem was no water or poor water. Discussion followed.

{Tape : 1; Side : A; Approx. Time Counter : 9 - 12.3}

Mr. Mike Watson, with the Roosevelt County Conservation District, gave a short presentation.

{Tape : 1; Side : A; Approx. Time Counter : 10 - 14.2}

Questions & Discussion: Questions concerning community support, operation and maintenance costs, a contract with the Fort Peck Tribe and numbers of people served were asked.

{Tape : 1; Side : A; Approx. Time Counter : 14.3 - 21.2}

REP. MCCANN asked about the voluntary fee.

{Tape : 1; Side : A; Approx. Time Counter : 21.2 - 22.4}

Ms. Jane Hamman, Office of Budget and Program Planning(OBPP), asked questions about the budget and state funding. Discussion followed.

{Tape : 1; Side : A; Approx. Time Counter : 22.4 - 26.4}

Mr. John Tubbs, DNRC, answered questions addressing where the \$10 million dollars for this project, over the next ten years, would come from. Discussion followed

{Tape : 1; Side : A; Approx. Time Counter : 26.4 - 32}

RRGL PROJECT NO. 6 - GLASGOW IRRIGATION DISTRICT

Mr. Michael Downy, DNRC, reviewed the dam rehabilitation project and the department's recommendations.

{Tape : 1; Side : B; Approx. Time Counter : 0 - 2.8}

Ms. Deby Murch, Secretary of the Glasgow Irrigation District, gave a short presentation **EXHIBIT(jlh15a04)**. Discussion followed.

{Tape : 1; Side : B; Approx. Time Counter : 2.9 - 11.4}

CHAIRMAN BERGSAGEL asked about the structural integrity of the dam and the rubber bladders .

{Tape : 1; Side : B; Approx. Time Counter : 11.4 - 13.7}

Mr. John Lacey, Commissioner of the Glasgow Irrigation District, testified on behalf of the project.

{Tape : 1; Side : B; Approx. Time Counter : 13.9 - 15.7}

Mr. Mike Murphy, with Montana Water Resources Association, spoke in support of the project and all the Milk River requests.

{Tape : 1; Side : B; Approx. Time Counter : 15.8 - 17.0}

RRGL PROJECT NO. 45 - DEPARTMENT OF ENVIRONMENTAL QUALITY

Mr. Bob Fischer reviewed the facility plans project and the department's recommendations.

{Tape : 1; Side : B; Approx. Time Counter : 17.7 - 19.5}

Mr. Tom Livers, Department of Environmental Quality (DEQ), introduced **Mr. Mark Smith**.

{Tape : 1; Side : B; Approx. Time Counter : 19.5 - 20.1}

CHAIRMAN BERGSAGEL asked why this project was ranked so low. **Mr. Fischer** responded.

{Tape : 1; Side : B; Approx. Time Counter : 20.1 - 21.3}

Mr. Smith, DEQ, gave a short presentation stating that these studies were greatly needed. Questions were asked

{Tape : 1; Side : B; Approx. Time Counter : 21.3 - 25.3}

Mr. Livers spoke in support of the project. Discussion followed.

{Tape : 1; Side : B; Approx. Time Counter : 25.4 - 30}

RRGL PROJECT NO. 36 - TOWN OF NEIHART

Mr. Fischer reviewed the water system improvement project and the department's recommendations. Discussion concerning the bonding cap followed.

{Tape : 2; Side : A; Approx. Time Counter : 30 - 2:A:3.5}

Mr. Bob Renolds, Councilman for Neihart, gave a short presentation.

{Tape : 2; Side : A; Approx. Time Counter : 3.6 - 6.9}

RRGL PROJECT NO. 57 - TIN CUP COUNTY WATER AND SEWER DISTRICT

Mr. Fischer reviewed the dam rehabilitation project and the department's recommendation of no funding.

{Tape : 2; Side : A; Approx. Time Counter : 7 - 11.6}

Mr. Tex Marsolek, General Manager of the Tin Cup Water & Sewer Dist., gave a short presentation asking for \$25,000 for immediate needs.

{Tape : 2; Side : A; Approx. Time Counter : 11.7 - 20.7}

Questions & Discussion: Concerning their loan, the role of the forest service and environmental groups, cost of the project and the \$25,000.

{Tape : 2; Side : A; Approx. Time Counter : 20.7 - 2:B:6.8}

Mr. Murphy spoke in support of the project.

{Tape : 2; Side : B; Approx. Time Counter : 6.8 - 8}

Ms. Hamman asked about a similar project that may have won the wilderness issue. Discussion followed.

{Tape : 2; Side : B; Approx. Time Counter : 8 - 12.9}

Ms Maggie Pittman, representing the forest service, gave informational testimony **EXHIBIT(jlh15a05)**. Discussion followed.

{Tape : 2; Side : B; Approx. Time Counter : 13 - 20}

Mr. Marsolek spoke about the forest service's role in their emergency situation. Discussion followed.

{Tape : 2; Side : B; Approx. Time Counter : 20 - 22.9}

RRGL PROJECT NO. 1 - MILK RIVER PROJECT WATER USERS

Mr. Downy reviewed the siphon project and the department's recommendations.

{Tape : 2; Side : B; Approx. Time Counter : 23.2 - 26}

Mr. Mike Dailey, DNRC, gave a short presentation.

{Tape : 2; Side : B; Approx. Time Counter : 26 - 28.2}

Mr. Kay Blatter, President of the Chinook Irrigation District, spoke in support of the project.

{Tape : 2; Side : B; Approx. Time Counter : 28.3 - 29.2}

Mr. Hugh Brookie, Chairman of the Malta Irrigation District, spoke in support of the project.

{Tape : 2; Side : B; Approx. Time Counter : 29.3 - 30.3}

Mr. Lee Cornwell, Member of Glasgow Irrigation District, spoke in support of the project.

{Tape : 2; Side : B; Approx. Time Counter : 30.4 - 31. 2}

REP. MCCANN spoke about total water costs for the Harlem district.

{Tape : 2; Side : B; Approx. Time Counter : 31.2 - 32.1}

RRGL PROJECT NO. 2 - MALTA IRRIGATION DISTRICT

Mr. Downy reviewed the dam rehabilitation project and the department's recommendations.

{Tape : 3; Side : A; Approx. Time Counter : 0.3 - 2.1}

Mr. Bud Mavencamp, Manager of the Malta Irrigation District, gave a short presentation and asked for a reduction in the interest rate. **EXHIBIT(jlh15a06)**

{Tape : 3; Side : A; Approx. Time Counter : 2.2 - 8.5}

CHAIRMAN BERGSAGEL asked about the current rates and the rates if the loan was granted. Discussion followed.

{Tape : 3; Side : A; Approx. Time Counter : 8.5 - 9.4}

REP ZOOK asked if the grant would be used for a study or for actual rehabilitation of the dam. Discussion followed. He then asked who the U.S. Department of Interior would contract with for this water.

{Tape : 3; Side : A; Approx. Time Counter : 9.4 - 12.4}

Mr. Mavencamp responded that the Bureau of Reclamation owned the water rights. Discussion followed.

{Tape : 3; Side : A; Approx. Time Counter : 12.5 - 14.7}

Mr. Kevin Salsbery, Member of the Malta Irrigation Commission, gave a short presentation and requested that the interest on the loan be set for 2% or less.

{Tape : 3; Side : A; Approx. Time Counter : 14.8 - 17.4}

Mr. Brookie spoke in support of the project.

{Tape : 3; Side : A; Approx. Time Counter : 17.5 - 18.5}

REP. MCCANN explained a possible proposal and asked for the committees consideration to allocate \$100,000 from **HB 7** to the Glasgow, Malta, and Chinook division. Discussion followed.

{Tape : 3; Side : A; Approx. Time Counter : 18.5 - 21.8}

Mr. Tubbs explained the reversion request for \$100,000 and spoke in support of the concept. Questions were asked.

{Tape : 3; Side : A; Approx. Time Counter : 22 - 25}

Mr. Kay Blatter explained why the Chinook Irrigation Dist. had not been able to use the \$100,000 prior to this session. Comments were made.

{Tape : 3; Side : A; Approx. Time Counter : 25 - 28.5}

RRGL PROJECT NO. 10 - SHERIDAN COUNTY CONSERVATION DISTRICT

Mr. Downy reviewed the ground water project and the department's recommendations.

{Tape : 3; Side : A; Approx. Time Counter : 28.6 - 29.6}

Mr. Jon Bolstad, representing the Sheridan County Conservation Dist., gave a short presentation. **EXHIBIT(jlh15a07)**

{Tape : 3; Side : A; Approx. Time Counter : 29.6 - 32.2}

Mr. Jon Righten, with the Montana Bureau of Mines and Geology (MBMG), gave a short presentation.

{Tape : 3; Side : A; Approx. Time Counter : 32.3 - 3:B:0.8}

REP. ZOOK asked what kind of wells they were working with and how they discovered that they had an aquifer. Discussion followed.

{Tape : 3; Side : B; Approx. Time Counter : 0.8 - 4.6}

Mr. Mike Vandell, Agriculturist for Sydney, gave a short presentation on the Holly sugar beet expansion and expressed his support for the project. Questions were asked.

{Tape : 3; Side : B; Approx. Time Counter : 4.7 - 8.6}

SEN. LYNCH asked if some of these projects complimented one another. Discussion followed.

{Tape : 3; Side : B; Approx. Time Counter : 8.7 - 9.9}

SEN. LINDA NELSON, SD 49, spoke in support of the project.

{Tape : 3; Side : B; Approx. Time Counter : 10 - 12.1}

RRGL PROJECT NO. 35 - TOWN OF BROCKTON

Mr. Fischer reviewed the waste water project and the department's recommendations.

{Tape : 3; Side : B; Approx. Time Counter : 12.3 - 14.2}

Mr. Patrick Murtagh, Grant Writer, gave a short presentation. Questions were asked.

{Tape : 3; Side : B; Approx. Time Counter : 14.3 - 19.1}

Mr. Brian Milne, with the firm that is designing the tank, gave a short presentation. Questions were asked.

{Tape : 3; Side : B; Approx. Time Counter : 19.3 - 22.1}

RRGL PROJECT NO. 37 - LEWIS & CLARK WATER QUALITY PROTECTION PROJECT

Mr. Downy reviewed the monitoring project and the department's recommendations.

{Tape : 3; Side : B; Approx. Time Counter : 22.8 - 24.4}

Ms. Vivian Drake, Administrator and Engineer for the Lewis & Clark Co. Water Quality Protection District, gave a short presentation. **EXHIBIT(jlh15a08)**

{Tape : 3; Side : B; Approx. Time Counter : 24.5 - 29.1}

Mr. Alan English, MBMG, gave a short presentation. **EXHIBIT(jlh15a09)**

{Tape : 3; Side : B; Approx. Time Counter : 29.1 - 4:A:3.0}

Ms. Kelly Raths, representing **REP. HIBBARD** and **REP. HARPER**, spoke in support of this project.

{Tape : 4; Side : A; Approx. Time Counter : 3.1 - 4.8}

Mr. Robert Rasmussen, Director of the Lewis & Clark Co. Planning Dept., spoke in support of the project.

{Tape : 4; Side : A; Approx. Time Counter : 5 - 7}

Mr. Peter Donovan, Chairman of the Lewis & Clark Co. Water Quality Protection District, spoke in support of the project.

{Tape : 4; Side : A; Approx. Time Counter : 7 - 8.2}

SEN. BECK spoke in support of the project.

{Tape : 4; Side : A; Approx. Time Counter : 8.3 - 8.6}

REP. MCCANN asked what the administrative fee was being used for.
{Tape : 4; Side : A; Approx. Time Counter : 8.6 - 10.3}

RRGL PROJECT NO. 39 - TOWN OF EKALAKA

Mr. Fischer reviewed the well project and the department's recommendation.

{Tape : 4; Side : A; Approx. Time Counter : 12.2 - 13.5}

SEN. RIC HOLDEN, SD 1, spoke in support of the project and gave a short presentation.

{Tape : 4; Side : A; Approx. Time Counter : 13.6 - 18.9}

REP. MARIAN HANSON, HD 1, spoke in support of the project. Questions were asked.

{Tape : 4; Side : A; Approx. Time Counter : 19 - 21.2}

Ms. Hamman asked who the responsible party was for the oil contamination. SEN. HOLDEN responded. Discussion followed.

{Tape : 4; Side : A; Approx. Time Counter : 21.2 - 23.7}

RRGL PROJECT NO. 54 - SAGE CREEK COUNTY WATER DISTRICT

Mr. Downy reviewed the water shed project and the department's recommendation of no funding.

{Tape : 4; Side : A; Approx. Time Counter : 23.9 - 26.9}

RRGL PROJECT NO. 46 - CHINOOK IRRIGATION DISTRICT

Mr. Downy reviewed the canal rehabilitation project and the department's recommendations.

{Tape : 4; Side : A; Approx. Time Counter : 27 - 29}

Mr. Jack Gist, President of the Alfalfa Irrigation District, gave a short presentation. Questions were asked.

{Tape : 4; Side : A; Approx. Time Counter : 29.1 - 31.5}

Mr. Blatter, Chairman of the Fort Belknap Irrigation District, spoke in support of the project.

{Tape : 4; Side : A; Approx. Time Counter : 31.5 - 32.4}

HEARING ON HB 6 & 8 - RENEWABLE RESOURCE GRANT & LOAN
APPLICATIONS (RRGL) - CLOSED

ADJOURNMENT

Adjournment: 12:00 P.M.

REP. ERNEST BERGSAGEL, Chairman

CASSANDRA DRYNAN, Secretary

EB/CD

EXHIBIT (j1h15aad)